

**Consolidated Financial Results**  
**for the Six Months Ended June 30, 2021**  
**[IFRS]**



August 5, 2021

Company name : Sumitomo Rubber Industries, Ltd.  
 Stock exchange listing : Tokyo Stock Exchange  
 Code number : 5110  
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 Scheduled date of filing quarterly securities report : August 6, 2021  
 Scheduled date of commencing dividend payments : September 7, 2021  
 Supplementary documents for quarterly financial results : Yes  
 Quarterly financial results briefing session : Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded to the nearest unit.)

**1. Consolidated Financial Results for the Six Months Ended June 30, 2021 (January 1, 2021 to June 30, 2021)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended										
June 30, 2021	440,082	29.4	30,088	-	28,576	-	20,501	-	43,850	-
June 30, 2020	340,038	(20.8)	(2,309)	-	(2,974)	-	(9,341)	-	(36,426)	-

(Note) “Business profit” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

	Basic profit per share	Diluted profit per share	Business profit to sales revenue ratio
Six months ended	Yen	Yen	%
June 30, 2021	77.95	-	6.8
June 30, 2020	(35.52)	-	(0.7)

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
June 30, 2021	1,016,049	502,128	488,226	48.1	1,856.39
December 31, 2020	974,805	467,097	454,743	46.6	1,729.05

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2021	39,918	(26,448)	(11,198)	79,334
June 30, 2020	28,157	(25,448)	28,272	88,341

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
December 31, 2020	-	0.00	-	35.00	35.00
December 31, 2021	-	25.00			
Fiscal year ending					
December 31, 2021 (Forecast)			-	30.00	55.00

(Note) Revision to the dividends forecast announced most recently: Yes

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2021 (January 1, 2021 to December 31, 2021)

(% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	930,000	17.6	55,000	26.8	52,000	34.4	35,500	57.1	134.98

(Note) Revision to the financial results forecast announced most recently: Yes

Notes:

- (1) Changes in significant subsidiaries during the six months ended June 30, 2021  
(changes in specified subsidiaries resulting in changes in scope of consolidation) : None
- (2) Changes in accounting policies and changes in accounting estimates
- 1) Changes in accounting policies required by IFRS : None
  - 2) Changes in accounting policies other than 1) : None
  - 3) Changes in accounting estimates : None
- (3) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the period (including treasury stock)
    - June 30, 2021 : 263,043,057 shares
    - December 31, 2020 : 263,043,057 shares
  - 2) Total number of treasury stock at the end of the period
    - June 30, 2021 : 45,519 shares
    - December 31, 2020 : 41,905 shares
  - 3) Average number of shares during the period
    - Six months ended June 30, 2021 : 262,999,698 shares
    - Six months ended June 30, 2020 : 263,003,006 shares

\* Consolidated financial results are outside the scope of the quarterly review procedures to be conducted by certified public accountants or auditing firms.

\* Explanation of the proper use of financial results forecast and other notes

The earnings projections and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to Sumitomo Rubber Industries, Ltd. (the “Company”) and its group companies (collectively, the “Group”) and do not constitute any promises by the Company that they will be realized. Actual results could differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.

With regard to the matters related to the underlying assumptions for the above forecasts, please refer to page 4 of the attached documents of the Consolidated Financial Results for the Period under Review, “1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Consolidated Financial Results Forecast and Other Future Forecast.”

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## 1. Qualitative Information on Interim Financial Results for the Period under Review

### (1) Operating Results

	For the six months ended June 30, 2020	For the six months ended June 30, 2021	Change in ratio
	Millions of yen	Millions of yen	%
Sales revenue	340,038	440,082	29.4
Tires	290,845	369,289	27.0
Sports	29,829	51,439	72.4
Industrial and Other Products	19,364	19,354	(0.1)
Business profit (loss)	(2,309)	30,088	-
Tires	(895)	23,477	-
Sports	(2,902)	5,518	-
Industrial and Other Products	1,472	1,069	(27.3)
Adjustments	16	24	-
Operating profit (loss)	(2,974)	28,576	-
Profit (Loss) attributable to owners of profit	(9,341)	20,501	-

(Note) “Business profit (loss)” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

#### Foreign exchange rates applied

	For the six months ended June 30, 2020	For the six months ended June 30, 2021	Increase (Decrease)
	Yen	Yen	Yen
Yen / U.S. Dollar	108	108	-
Yen / Euro	119	130	11

During the six months ended June 30, 2021, the outlook of the global economy continued to remain uncertain due to the impact of COVID-19, but signs of recovery also became evident.

The Japanese economy witnessed signs of weakness in personal consumption, but exports continued to grow albeit moderately. Production has been recovering and despite the weak employment situation, there have been solid developments in the number of individuals employed. While the economy overall continues to recover, signs of weakness are partly increasing.

The business environment surrounding the Group was impacted mainly due to the effects of the rising prices of natural rubber and petroleum-based raw materials as well as higher marine transport costs, although there were positive signs, such as the recovery trend in many markets including the US and Chinese markets, in addition to the improvement in the export environment due to the weakening of the yen against other currencies.

Under these circumstances, the Group strongly promoted company-wide projects to reinforce our business foundation with the goal of accomplishing the Mid-Term Plan, which sets 2025 as the target year. At the same time, we worked to strengthen our competitive advantage in a global structure through such efforts as developing and expanding sales of high-performance products that meet the needs of customers in each region, with the aim of maximizing the effects of the manufacturing and sales bases we have established in major markets around the world.

As a result, sales revenue of the Group increased 29.4% from the same period of the previous fiscal year to ¥440,082 million, business profit was ¥30,088 million (business loss of ¥2,309 million for the same period of the previous fiscal year), operating profit was ¥28,576 million (operating loss of ¥2,974 million for the same period of the previous fiscal year), and profit attributable to owners of parent was 20,501 million (loss attributable to owners of parent of ¥9,341 million for the same period of the previous fiscal year).

Operating results by business segment was as follows.

### **Tire Business**

Sales revenue in the tire business was ¥369,289 million (increased 27.0% from the same period of the previous fiscal year) and business profit was ¥23,477 million (business loss of ¥895 million for the same period of the previous fiscal year).

In the domestic original equipment market, despite the impact of the decrease in automobile production by auto manufacturers due to the global shortage of semiconductors, sales revenue exceeded the level of the same period of the previous fiscal year as a result of the sharp drop in sales during the six months ended June 30, 2020, due to the impact of COVID-19.

In the domestic replacement market, as a result of efforts to expand sales of fuel-efficient tires under the DUNLOP brand, including “VEURO VE304,” which was launched last year, and products such as “ALL SEASON MAXX AS1,” an all-season tire less susceptible to changes in weather, we were able to improve sales from the previous fiscal year and sales revenue exceeded the level of the same period of the previous fiscal year.

In the overseas original equipment market, while the impact of the global shortage of semiconductors has emerged in each country’s automobile production, signs of recovery from the impact of COVID-19 were seen, and we were able to increase sales, resulting in higher sales revenue than in the same period of the previous fiscal year.

In the overseas replacement market, sales increased in the Asia and Oceania region, mainly in China, where the economy showed some recovery. In the Europe and Africa region, we expanded sales mainly in areas where market conditions are recovering. In the Americas region, despite the impact of the delayed arrival of imports as a result of the tight supply and demand situation of shipping containers especially in North America, sell-out was strong especially in terms of SUV tires, and we were able to increase sales, including those of the WILDPEAK Series and other high-performance products.

As a result, sales revenue and business profit in the tire business exceeded the level of the same period of the previous fiscal year.

### **Sports Business**

Sales revenue in the sports business was ¥51,439 million (increased 72.4% from the same period of the previous fiscal year) and business profit was ¥5,518 million (business loss of ¥2,902 million for the same period of the previous fiscal year).

In the golf goods market, the major markets showed a reversal of the market contraction caused by COVID-19, and sales improved particularly in North America and South Korea, resulting in higher sales revenue than in the same period of the previous fiscal year.

Similarly, in the tennis goods markets, sales revenue exceeded the level of the same period of the previous fiscal year.

In the wellness business, sales revenue exceeded the level of the same period of the previous fiscal year, despite the impact of the declaration of a state of emergency in response to COVID-19.

As a result, sales revenue and business profit in the sports business exceeded the level of the same period of the previous fiscal year.

### **Industrial and Other Products Business**

Sales revenue in the industrial and other products business was ¥19,354 million (decreased 0.1% from the same period of the previous fiscal year) and business profit was ¥1,069 million (decreased 27.3% from the same period of the previous fiscal year).

While large-scale projects in infrastructure-based products decreased and orders received for vibration control dampers declined, sales increased for sanitary rubber gloves, and for precision rubber parts for medical use, due to increases in orders received.

As a result, sales revenue in the industrial and other products business slightly below the level of the same period of the previous fiscal year, and business profit declined due to changes in sales mix.

## (2) Financial Position

	As of December 31, 2020	As of June 30, 2021	Increase (Decrease)
	Millions of yen	Millions of yen	Millions of yen
Total assets	974,805	1,016,049	41,244
Total equity	467,097	502,128	35,031
Total equity attributable to owners of parent	454,743	488,226	33,483
Total equity attributable to owners of parent ratio (%)	46.6	48.1	1.5
Equity attributable to owners of parent per share	1,729.05 yen	1,856.39 yen	127.34 yen

Total assets increased ¥41,244 million from the end of the previous fiscal year to ¥1,016,049 million mainly as a result of increase in inventories although there was decrease in trade and other receivables decreased due to seasonal factors.

Total liabilities increased ¥6,213 million from the end of the previous fiscal year to ¥513,921 million mainly as a result of increase in interest-bearing debt.

Total equity as of June 30, 2021 increased ¥35,031 million from the end of the previous fiscal year to ¥502,128 million, of which equity attributable to owners of parent accounted for ¥488,226 million, and non-controlling interest accounted for ¥13,902 million.

As a result, ratio of equity attributable to owners of parent was 48.1%, and equity attributable to owners of parent per share was ¥1,856.39.

## (3) Consolidated Financial Results Forecast and Other Future Forecast

As for the consolidated financial results for six months ended June 30, 2021, although the outlook of the global economy continued to remain uncertain due to the impact of COVID-19, in the tire business, in addition to restrain cost increase, the Group reviewed the selling price in response to soaring raw material prices and in the sports business strong sales of golf goods market, mainly in North America and South Korea, contributed to sales revenue, business profit, operating profit, and profit attributable to owners of parent, which exceeded the previously announced forecast. Regarding consolidated financial results forecast for the fiscal year ending December 31, 2021, the Group has revised the previous forecast as follows, based on latest trend of business.

Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2021 (January 1, 2021 to December 31, 2021)

	Forecast	Previous forecast	Increase (Decrease)	Change in ratio	(Reference) Results for the same period of the previous year
	Millions of yen	Millions of yen	Millions of yen	%	Millions of yen
Sales revenue	930,000	910,000	20,000	2.2	790,817
Tires	794,000	779,000	15,000	1.9	679,860
Sports	95,000	86,500	8,500	9.8	70,257
Industrial and Other Products	41,000	44,500	(3,500)	(7.9)	40,700
Business profit	55,000	50,000	5,000	10.0	43,388
Tires	46,500	43,000	3,500	8.1	40,949
Sports	6,000	3,500	2,500	71.4	(741)
Industrial and Other Products	2,500	3,500	(1,000)	(28.6)	3,186
Adjustments	-	-	-	-	(6)
Operating profit	52,000	47,000	5,000	10.6	38,701
Profit attributable to owners of parent	35,500	33,000	2,500	7.6	22,596

Foreign exchange rates applied

	Forecast	Previous forecast	Increase (Decrease)	(Reference) Rate applied for the same period of the previous year
	Yen	Yen	Yen	Yen
Yen / U.S. Dollar	109	108	1	107
Yen / Euro	130	129	1	122

The results forecast and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to the Company and the Group as of the date of the release of this document and include potential risks and uncertainty. Please note that actual results may differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.



## 2. Condensed Interim Consolidated Financial Statements and Primary Notes

### (1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of December 31, 2020	As of June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	74,203	79,334
Trade and other receivables	179,635	164,878
Other financial assets	1,399	4,645
Inventories	151,253	189,687
Other current assets	30,162	32,762
Total current assets	436,652	471,306
Non-current assets		
Property, plant and equipment	389,184	388,562
Goodwill	23,378	25,464
Intangible assets	41,402	41,996
Investments accounted for using equity method	4,323	4,381
Other financial assets	33,159	36,953
Net defined benefit asset	32,451	32,901
Deferred tax assets	13,449	13,650
Other non-current assets	807	836
Total non-current assets	538,153	544,743
Total assets	974,805	1,016,049

(Millions of yen)

	As of December 31, 2020	As of June 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and loans payable	62,256	70,863
Trade and other payables	123,261	118,903
Other financial liabilities	12,816	12,472
Income tax payable	7,790	7,076
Provisions	1,170	1,740
Other current liabilities	38,835	41,412
Total current liabilities	246,128	252,466
Non-current liabilities		
Bonds and loans payable	155,177	153,506
Other financial liabilities	48,164	47,531
Net defined benefit liability	22,202	22,992
Provisions	2,189	1,600
Deferred tax liabilities	11,282	12,949
Other non-current liabilities	22,566	22,877
Total non-current liabilities	261,580	261,455
Total liabilities	507,708	513,921
Equity		
Capital stock	42,658	42,658
Capital surplus	39,486	39,486
Retained earnings	461,720	473,029
Treasury stock	(77)	(82)
Other components of equity	(89,044)	(66,865)
Total equity attributable to owners of parent	454,743	488,226
Non-controlling interest	12,354	13,902
Total equity	467,097	502,128
Total liabilities and equity	974,805	1,016,049

(2) Condensed Interim Consolidated Statements of Income and Comprehensive Income  
Condensed Interim Consolidated Statements of Income

(Millions of yen)

	For the six months ended June 30, 2020	For the six months ended June 30, 2021
Sales revenue	340,038	440,082
Cost of sales	(250,089)	(308,502)
Gross profit	89,949	131,580
Selling, general and administrative expenses	(92,258)	(101,492)
Business profit (loss)	(2,309)	30,088
Other income	1,394	797
Other expenses	(2,059)	(2,309)
Operating profit (loss)	(2,974)	28,576
Financial income	718	2,855
Financial expenses	(8,340)	(1,540)
Equity in earnings of affiliates	70	57
Profit (Loss) before tax	(10,526)	29,948
Income tax expenses	1,025	(8,490)
Profit (Loss)	(9,501)	21,458
Profit (Loss) attributable to:		
Owners of parent	(9,341)	20,501
Non-controlling interests	(160)	957
Profit (Loss)	(9,501)	21,458
Profit (Loss) per share		
Basic profit (loss) per share (Yen)	(35.52)	77.95

Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2020	For the six months ended June 30, 2021
Profit (Loss)	(9,501)	21,458
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(2,004)	2,150
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	26	67
Currency translation differences of foreign operations	(24,947)	20,175
Other comprehensive income, net of tax	(26,925)	22,392
Comprehensive income	(36,426)	43,850
Comprehensive income attributable to:		
Owners of parent	(35,533)	42,693
Non-controlling interests	(893)	1,157
Comprehensive income	(36,426)	43,850

(3) Condensed Interim Consolidated Statements of Changes in Equity  
For the six months ended June 30, 2020

(Millions of yen)

	Equity attributable to owners of parent					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2020	42,658	39,486	444,783	(75)	(76,471)	(278)
Loss			(9,341)			
Other comprehensive income					(24,214)	26
Total comprehensive income	-	-	(9,341)	-	(24,214)	26
Purchase of treasury stock				(1)		
Disposal of treasury stock		(0)		0		
Dividends			(7,890)			
Capital increase of consolidated subsidiaries						
Transfer to retained earnings			(14)			
Transfer to capital surplus		0	(0)			
Total transactions with owners	-	(0)	(7,904)	(1)	-	-
Balance as of June 30, 2020	42,658	39,486	427,538	(76)	(100,685)	(252)

	Equity attributable to owners of parent				Non-controlling interests	Total Equity
	Other components of equity			Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Total			
Balance as of January 1, 2020	10,697	-	(66,052)	460,800	14,737	475,537
Loss			-	(9,341)	(160)	(9,501)
Other comprehensive income	(2,004)		(26,192)	(26,192)	(733)	(26,925)
Total comprehensive income	(2,004)	-	(26,192)	(35,533)	(893)	(36,426)
Purchase of treasury stock			-	(1)		(1)
Disposal of treasury stock			-	0		0
Dividends			-	(7,890)	(1,592)	(9,482)
Capital increase of consolidated subsidiaries			-	-		-
Transfer to retained earnings	14		14	-		-
Transfer to capital surplus			-	-		-
Total transactions with owners	14	-	14	(7,891)	(1,592)	(9,483)
Balance as of June 30, 2020	8,707	-	(92,230)	417,376	12,252	429,628

For the six months ended June 30, 2021

(Millions of yen)

	Equity attributable to owners of parent					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2021	42,658	39,486	461,720	(77)	(99,270)	(241)
Profit			20,501			
Other comprehensive income					19,975	67
Total comprehensive income	-	-	20,501	-	19,975	67
Purchase of treasury stock				(5)		
Disposal of treasury stock						
Dividends			(9,205)			
Capital increase of consolidated subsidiaries						
Transfer to retained earnings			13			
Transfer to capital surplus						
Total transactions with owners	-	-	(9,192)	(5)	-	-
Balance as of June 30, 2021	42,658	39,486	473,029	(82)	(79,295)	(174)

	Equity attributable to owners of parent				Non-controlling interests	Total Equity
	Other components of equity			Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Total			
Balance as of January 1, 2021	10,467	-	(89,044)	454,743	12,354	467,097
Profit			-	20,501	957	21,458
Other comprehensive income	2,150		22,192	22,192	200	22,392
Total comprehensive income	2,150	-	22,192	42,693	1,157	43,850
Purchase of treasury stock			-	(5)		(5)
Disposal of treasury stock			-	-		-
Dividends			-	(9,205)	(934)	(10,139)
Capital increase of consolidated subsidiaries			-	-	1,325	1,325
Transfer to retained earnings	(13)		(13)	-		-
Transfer to capital surplus			-	-		-
Total transactions with owners	(13)	-	(13)	(9,210)	391	(8,819)
Balance as of June 30, 2021	12,604	-	(66,865)	488,226	13,902	502,128

## (4) Condensed Interim Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2020	For the six months ended June 30, 2021
<b>Cash flows from operating activities</b>		
Profit (Loss) before tax	(10,526)	29,948
Depreciation and amortization	33,894	34,233
Interest and dividends income	(718)	(825)
Interest expenses	2,132	1,540
Share of (profit) loss of entities accounted for using equity method	(70)	(57)
Decrease (increase) in inventories	(6,039)	(32,309)
Decrease (increase) in trade and other receivables	52,541	20,497
Increase (decrease) in trade and other payables	(41,042)	(3,024)
Other, net	5,250	(815)
Subtotal	35,422	49,188
Interest received	412	434
Dividend income received	295	393
Interest expenses paid	(2,000)	(1,449)
Income taxes paid	(5,972)	(8,648)
Net cash provided by (used in) operating activities	28,157	39,918
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(23,486)	(23,065)
Proceeds from sales of property, plants and equipment	195	196
Purchase of intangible assets	(1,857)	(2,070)
Payment for transfer of business	-	(273)
Other, net	(300)	(1,236)
Net cash provided by (used in) investing activities	(25,448)	(26,448)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	17,630	24,382
Proceeds from long-term debt and newly issued bonds	39,446	-
Repayments of long-term debt and redemption of bonds	(12,620)	(20,499)
Repayments of lease obligations	(6,702)	(6,267)
Proceeds from share insurance to non-controlling interests	-	1,325
Cash dividends paid	(7,890)	(9,199)
Cash dividends paid to non-controlling interests	(1,592)	(934)
Other, net	(0)	(6)
Net cash provided by (used in) financing activities	28,272	(11,198)
Effect of exchange rate change on cash and cash equivalents	(3,271)	2,859
Net increase (decrease) in cash and cash equivalents	27,710	5,131
Cash and cash equivalents at the beginning of current period	60,631	74,203
Cash and cash equivalents at the end of current period	88,341	79,334

(5) Notes on Condensed Interim Consolidated Financial Statements  
 (Notes on Going Concern Assumption)  
 None

(Segment Information)

1. Information by reportable segment

Reportable segments of the Group are the units for which separate financial information is available and periodically reviewed by the Board of Directors as the highest decision-making body for the purposes of deciding the allocation of management resources and evaluating business performance.

The Group has three divisions based on operations in Tires, Sports and Industrial and Other Products. Each division formulates comprehensive strategies for both domestic and overseas markets and develops business activities.

Therefore, the Group identifies “Tires”, “Sports”, and “Industrial and Other Products” as reportable segments.

Major products and services or details of business that belong to each reportable segment are as follows:

Reportable segment	Major products and services or details of business
Tires	Tires and tubes (for automobiles, construction vehicles, industrial vehicles, automotive races and rallies, motorcycles, etc.) Automotive system business (instant mobility systems, deflation warning systems, etc.)
Sports	Sporting goods (golf clubs, golf balls and other golf goods, tennis goods, etc.) Operation of golf tournaments Operation of golf and tennis schools Fitness business, and others
Industrial and Other Products	High-performance rubber products (vibration control dampers, precision rubber parts for office machines, precision rubber parts for medical use, etc.) Daily life supplies (rubber gloves for cooking and other operations, ramps for wheelchair use, etc.) Products for infrastructure (marine dock fenders, flooring materials for factories and sports facilities, etc.)



2. Reportable segment sales revenues and profit or loss

Inter-segment sales revenues are stated at wholesale prices based on current market values.

Figures for reportable segment are based on business profit.

Information for the reportable segments for the previous fiscal year and the current fiscal year is as follows:

For the six months ended June 30, 2020 (January 1, 2020 to June 30, 2020)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Interim Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	290,845	29,829	19,364	340,038	-	340,038
Inter-segment sales revenue	483	75	433	991	(991)	-
Total	291,328	29,904	19,797	341,029	(991)	340,038
Segment profit or loss (Business profit or loss) (Note 1)	(895)	(2,902)	1,472	(2,325)	16	(2,309)
Other income and expenses						(665)
Operating loss						(2,974)

(Notes)

1. "Segment profit or loss (Business profit or loss)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit or loss included in "Adjustment" comprised elimination of inter-segment transactions.

For the six months ended June 30, 2021 (January 1, 2021 to June 30, 2021)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Interim Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	369,289	51,439	19,354	440,082	-	440,082
Inter-segment sales revenue	450	85	480	1,015	(1,015)	-
Total	369,739	51,524	19,834	441,097	(1,015)	440,082
Segment profit (Business profit) (Note 1)	23,477	5,518	1,069	30,064	24	30,088
Other income and expenses						(1,512)
Operating profit						28,576

(Notes)

1. "Segment profit (Business profit)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit included in "Adjustment" comprised elimination of inter-segment transactions.

(Significant Subsequent Events)

None